



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23
AGENDA DATE: Thu 06/17/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a contract through the State of Texas, Texas Building and Procurement Commission, with HAWORTH INCORPORATED, Austin, TX, and its authorized distributor FURNITURE MARKETING GROUP, Austin, TX, for the purchase and installation of modular office systems for built-in cubicle arrangements including wall panels, desk tops, and cabinets in an amount not to exceed \$1,300,961.77.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$673,000 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Watershed Protection and Development Review Department, Drainage Utility Fund. Funding in the amount of \$627,961.77 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Financial Services Department, One Texas Center Fund.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT: for Financial and Administrative **AUTHORIZATION:** Vickie Schubert
Services; Public Works;

FOR MORE INFORMATION CONTACT: Elizabeth Sanchez, Buyer/974-3266

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Purchasing Cooperative.

MBE / WBE: N/A

This contract will provide for modular panel walls and modular office furniture to furnish 299 offices for the relocation of the Watershed Protection and Development Review; Transportation, Planning, and Sustainability; and Human Resources Departments to One Texas Center. These departments will be relocating from leased facilities located at Two Commodore Plaza, 206 East 9th Street, and 1011 San Jacinto Street to the City-owned One Texas Center. The space at One Texas Center has 59,237 square feet and includes approximately 299 modular offices and workstations with conference/training rooms, records storage areas and laboratory area. The lease space being vacated is approximately 63,223 square feet. The existing modular panels and freestanding furniture currently used by the departments is over 20 years old, bulkier than the new space will accommodate, providing inadequate office areas to accommodate the staff in One Texas Center building space.

Currently, Watershed Protection and Development Review Department and Human Resources Departments are located at Two Commodore Plaza; Transportation, Planning & Sustainability is located at San Jacinto. The relocation will provide significant rent savings. The rent at Two Commodore is \$21.62 per square foot (excluding parking costs) per year; San Jacinto is \$29.00 per square foot; and One Texas Center is \$16.17 per square foot, resulting in savings in excess of \$500,000 per year. At this rate, the renovation and relocation project has a pay back period of approximately 7 years.

Office chairs, keyboard trays and moveable wall panels/doors are not available under the State contract.



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23
AGENDA DATE: Thu 06/17/2004
PAGE: 2 of 2**

They will be purchased from the same vendor through the use of the U.S. Communities contract.

The local authorized dealer, Furniture Marketing Group, will provide and install the furniture for the manufacturer Haworth Inc.

Haworth is under contract with the Texas Building and Procurement Commission (TBPC) to supply modular furniture statewide as a result of a competitive bidding process utilized by the TBPC.